

FISCAL NOTE

(Return in triplicate)

Bill/Resolution No.: SB 2028 Amendment to: _____

Requested by Legislative Council Date of Request: 12-21-92

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, and cities.

Narrative:

We estimate that revenues of \$1,465,144 will be generated in the 1993-95 biennium from Day Care providers as a result of a \$25 per month service fee. We note the bill requires deposit into the Department's operating fund but contains no appropriation to use the fees. (See attached sheet)

2. State fiscal effect in dollar amounts:

	<u>1991-93</u> <u>Biennium</u>		<u>1993-95</u> <u>Biennium</u>		<u>1995-97</u> <u>Biennium</u>	
	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>
Revenues:			-0-	1,465,144	-0-	1,674,450

Expenditures:

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1991-93 biennium: -0-
- b. For the 1993-95 biennium: (1,465,144)
- c. For the 1995-97 biennium: (1,674,450)

4. County and City fiscal effect in dollar amounts:

	<u>1991-93</u> <u>Biennium</u>		<u>1993-95</u> <u>Biennium</u>		<u>1995-97</u> <u>Biennium</u>	
	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Signed Mike Schwindt

Typed Name MIKE SCHWINDT

Department HUMAN SERVICES

Phone Number 224-2330

Date Prepared: 1/8/93

Attachment to fiscal note for SB2028

Assumptions

- 1. The early childhood service programs will consist of Transitional Day Care, JOBS/AFDC Child Care, and Child Care Assistance (Block Grant only, IV-A participants will be transferred to the Block Grant as of July, 1993).
- 2. The number of children participating in these child care programs in November, 1992, will be used to calculate the fiscal impact of this bill for the 1993-95 and 1995-97 bienniums.
- 3. Facilities that are not licensed or registered will not be assessed this service fee.
- 4. Use of licensed or registered child care providers is not required under the JOBS/AFDC and Transitional child care programs.
- 5. For JOBS/AFDC and Transitional child care, in-own-home care of the child or care by a relative will be considered as not licensed or registered.
- 6. The average number of hours the children spend in child care is equivalent to three-fourths time per child.

The following table represents the number of children receiving child care services funded by the Department of Human Services under three child care programs, as of November, 1992, and, the cost to providers of imposing a \$25 per child per month fee as specified in SB2028.

COST TO PROVIDERS OF IMPOSING A SERVICE FEE AS PROPOSED IN SB2028

Program	Number of Children		Total Fee per Month***	Total Fee Per Biennium	
	Total	In Licensed or Registered Care**		93-95****	95-97
JOBS	1,423	966	18,112.50	380,363	434,700
Transitional	293	194	3,637.50	76,388	87,300
Block Grant*	2,561	2,561	48,018.75	1,008,394	1,152,450
Total	4,277	3,721	69,768.75	1,465,144	1,674,450

*Families receiving funding under this program are required to utilize licensed or registered day care providers.

** Estimated. Count excludes children cared for in their own home or cared for by a relative.

***It is estimated that these children are in day care on average of three-fourths time. This means that because the maximum payment from a provider for a child in full time care is \$25, the average payment per child will be \$18.75, (75% of \$25). Therefore, the fee paid to the department by child care providers will be \$18.75 multiplied by the number of children in licensed or registered care.

****Service fee payments for seven quarters (21 months) will be collected in the 1993-95 biennium, as fees are to be collected thirty days after the close of each calendar quarter. The fees for the last quarter of the 93-95 biennium, and the first seven quarters of the 95-97 biennium will be collected during the 95-97 biennium.